

A G E N D A



Thursday, November 29, 2007

Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION

Item No. 32

Subject: Authorize award and execution of a 24-month requirements supply contract with PRIESTER-MELL & NICHOLSON, Austin, TX for SF6 padmount switchgear in an estimated amount not to exceed \$2,233,610, with two 12-month extension options in an estimated amount not to exceed \$1,116,805 per extension option, for a total estimated contract amount not to exceed \$4,467,220.

Amount and Source of Funding: Funding in the amount of \$930,670 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 14 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Gabriel Guerrero, Buyer II/322-6060

Purchasing Language: Lowest bid meeting specifications of five bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide for the supply of various types of SF6 padmount switchgears. These switchgears will be used to replenish stock at Austin Energy's Kramer and St. Elmo warehouses for immediate issue to construction crews on an as needed basis.

These items are used for serving large industrial and large underground electrical service areas. SF6 switchgear has a gas insulating medium that provides a much smaller unit versus air insulated switchgear. SF6 switchgear safely provides a quicker relay response and interruption if a fault is indicated. This quicker and safer response provides for better power system reliability. Switchgear are a collection of fuses and switches used for high voltage switching and circuit protection.

MBE/WBE Solicited: 1/1 MBE/WBE Bid: 0/0PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-two notices were sent, including one MBE and one WBE. Five bids were received, with no response from the MBE/WBEs.
- c. The switchgears have changed in sizes from the previous contract award in November 2004; therefore, there is no comparable price history.

APPROVAL JUSTIFICATION

- a. Lowest bid meeting specifications.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.